

City of Taylor

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October 8, 2009

Michigan House of Representatives
Transportation Committee
House Office Building, Room 521
Lansing, Michigan 48909

Dear Transportation Committee members,

The City of Taylor has been a participant in the Aerotropolis initiative since conception. In 2005 stakeholders approved a non-binding memorandum of understanding (NBMOU) for the Aerotropolis implementation. The legislation and Intergovernmental Agreement are action items that were designated in the NBMOU.

Taylor believes that this is a strong economic development tool and being a border community to the airport we support such an endeavor. The region desperately needs to create jobs that have been lost because of the downsizing of the auto industry. We believe one of the areas strengths is its intermodal transportation infrastructure which is terribly underutilized.

The City of Taylor will benefit from the Aerotropolis with the increase of employment opportunities for our citizens. If we can create jobs it will create greater demand for housing and commercial development, therefore increasing the quality of life so our children choose to stay home after graduating from school. Creating jobs, growing our tax base and good planning should lead us to a better community and quality of life. This legislation can help achieve these goals and assist in alleviating our issues that we are currently facing.

We in Southeastern Michigan need jobs and an increase in tax base. These opportunities exist within the Detroit Metropolitan and Willow Run Airports and the surrounding areas. This region has a highly motivated skilled workforce who is available for the jobs that the Aerotropolis will create. The City of Taylor applauds the efforts of the local governments, the private and public sectors and the professionals who are part of the Detroit Regional Aerotropolis partnership. We value regional collaboration and commend the leadership on this project.

I appreciate the opportunity to submit this testimonial on behalf of the City of Taylor.

Sincerely,



Cameron G. Priebe
Mayor

Testimony on the Next Michigan Development Act Legislation
Transportation Committee
Michigan House of Representatives
Thursday, October 8, 2009

Good Morning My name is Paul White. I'm Supervisor of Van Buren Township, one of the seven local governments that is a partnering to create the Aerotropolis Development Corporation. Thank you Chairperson Byrnes and the members of the Transportation Committee for allowing me to provide testimony regarding the Next Michigan Development Act Legislation, HB's 5346-5351.

While my predecessor originally entered into our development corporation interlocal agreement on behalf of Van Buren Township, I fully support the Aerotropolis Initiative and the regional collaboration we have created. With declining tax revenues and budget constraints, it is critical that we work together as a broader region to ensure that our cities and townships remain viable places to live and work.

I've seen first hand through the efforts to bring General Electric to Van Buren Township, how competitive the economic development arena can be. Our regional collaboration, the support of the private sector and the State—as well as the right economic development incentives—all played critical roles in clinching the deal. The foresight and quick action of all these stakeholders made it possible to bring over 1,200 new, much needed, jobs to Michigan.

The Next Michigan Development Act Legislation allows regional collaborations to effectively compete on a global basis by providing assurance to businesses that they can receive the incentives they need to locate in Michigan rather than elsewhere in the Midwest, another area of the United States, or another Country. This legislation will also allow our Aerotropolis

Partnership to leverage GE's presence to bring supporting air-commerce dependent businesses to the region, and, in turn, bring more jobs for citizens throughout Southeast Michigan to fill.

Thank you for the opportunity to share my thoughts and support of this proposed legislation.

**Paul White
Supervisor, Van Buren Township
46425 Tyler Road
Van Buren Township, MI 48111
734.699.8900**

To the Hon. Speaker Pro Tem Pam Byrnes,
Chairwoman of the House Transportation Committee;
And Honorable Members of the House Transportation Committee
Reps. Andrew Kandrevas, Marie Donigan, Douglas Geiss, Martin Griffin, Harold Haugh,
Gabe Leland, Judy Nemat, Roy Schmidt, Coleman Young II, Paul Opsommer, James
Bolger, Larry DeShazor, Marty Knollenberg, Tom Pearce, Wayne Schmidt and Paul
Scott

Re.: Text of testimony by Tim Keyes, economic development director of the City of
Romulus, before the House Transportation Committee on 10/8/2009

Good morning, Chairwoman Byrnes and Honorable members of the Transportation
Committee.

I'm here to speak on behalf of Mayor Alan Lambert and the City of Romulus, in full
support of the legislation before you. Thank you very much for giving me the opportunity
to speak briefly before you about House Bills 5346 through 5351, also known as the Next
Michigan Development legislation.

As the City of Romulus has publicly stated, we support the legislation before you because
it will benefit the proposed Aerotropolis project in southeast Michigan. I also would like
to emphasize to the members of this committee that this legislation will benefit other
communities throughout Michigan seeking to pursue projects similar to the Aerotropolis.

Romulus and our Aerotropolis partners are excited about this important legislation
because it can bring jobs and spark the economy of southeast Michigan communities,
from Detroit and Downriver to Washtenaw County and everyone in between.

Just as important, I want to emphasize that this legislation can also bring similar
economic and job-creating benefits to other communities from Grand Rapids to Grand
Blanc to the Upper Peninsula.

Let me say a few words about my community and why we support the bills before you.
Romulus is the Gateway to Michigan. Billions of dollars in trade, business opportunities
and investments come to Michigan through Detroit Metro Airport located in Romulus.
Romulus is proud to partner with state, county and local governments to establish the
Aerotropolis project which will open the door to more business, trade and investment
opportunities for the entire state.

The legislation before you today will give the Aerotropolis project a real boost and the
tools it needs to become a magnet for jobs and investments. For local communities like
Romulus and our neighbors, this legislation will provide incentives for development that
will attract businesses to locate in southeast Michigan. Simply put, we recognize that
Michigan is in one of the toughest regional, national and global economic situations in
generations.

As someone who hits the pavement every day trying to attract new investments to my community, I know firsthand how hard it is to bring businesses through the door – a situation I'm sure you yourselves have experienced as we all do our best to try to bring jobs to Michigan. The communities and entities partnering on the Aerotropolis project all support this legislation because we believe that the Aerotropolis is one of the best strategic selling points for Michigan going forward to bring in new businesses and new jobs on a large scale. We also recognize that for the Aerotropolis to succeed, strong legislation that truly rolls out the welcome mat for new investments is critical.

In other words, the bills before you will go a long way toward helping us bring businesses and jobs through the door. As an example of successful regional cooperation, Romulus and our partners are on the same page in supporting this legislation.

One of the key benefits of the bills before you is that they provide critical incentives to develop land, property, infrastructure and more. I'm talking about projects that can serve the double purposes of attracting businesses and jobs – and strengthening our communities.

In Romulus, we have seen the global economic meltdown cause our neighbors to lose their jobs, their health care and sometimes, unfortunately, even their homes. Michigan's auto industry once provided a middle-class life for countless families in Romulus and other communities over the generations. We have seen those jobs and other manufacturing jobs disappear over the years through no fault of our hard-working men and women. This is the reality for communities throughout Michigan.

We face big challenges – the legislation before you can help us overcome many of the hurdles before us. The legislation before you gives all communities in Michigan the extra resources they need to let the world know Michigan is a great place to invest and that Michigan will help these investments succeed. This legislation will help communities develop land and facilities that we otherwise could not. It will mean we can build roads, bridges, sewers and other infrastructure to help businesses locate here and create jobs, while protecting our quality of life. It means we will have a good, strong card we can play when we sit at the table with businesses looking to come to Michigan.

In short, this legislation is good for communities that want to grow.

From a local economic development perspective, this legislation ensures all communities can have access to the critical tools they will need to bring businesses and jobs through the door.

It's also important that I make clear one point: This legislation ensures local governments can choose what tools to use and what tools are right for their communities. For example, if Romulus chooses to use economic development tools such as renaissance zone incentives, our other Aerotropolis partners are not obligated to follow Romulus.

The beauty of the legislation before you is that it encourages communities to put together the right package of incentives for the right kind of company to make sure their community's needs are met and their community's interests are protected. These are real incentives that can create real opportunities and help create real jobs for local communities throughout the state.

For these reasons, Romulus joins our partners in the Aerotropolis project in voicing our support for this important legislation.

We further encourage this committee and the Legislature to act quickly and pass the Next Michigan Development Act because of its ability to give Michigan a unique and long-lasting advantage in an increasingly competitive and fast-moving global economy.

Thank you for this opportunity to speak before you today and I'd be happy to answer any questions you may have.

Sincerely,

Tim Keyes
Director, Economic Development
City of Romulus

Presentation to House Committee on Transportation

Next Michigan
Development Act

Dana Debel
October 8, 2009



DELTA

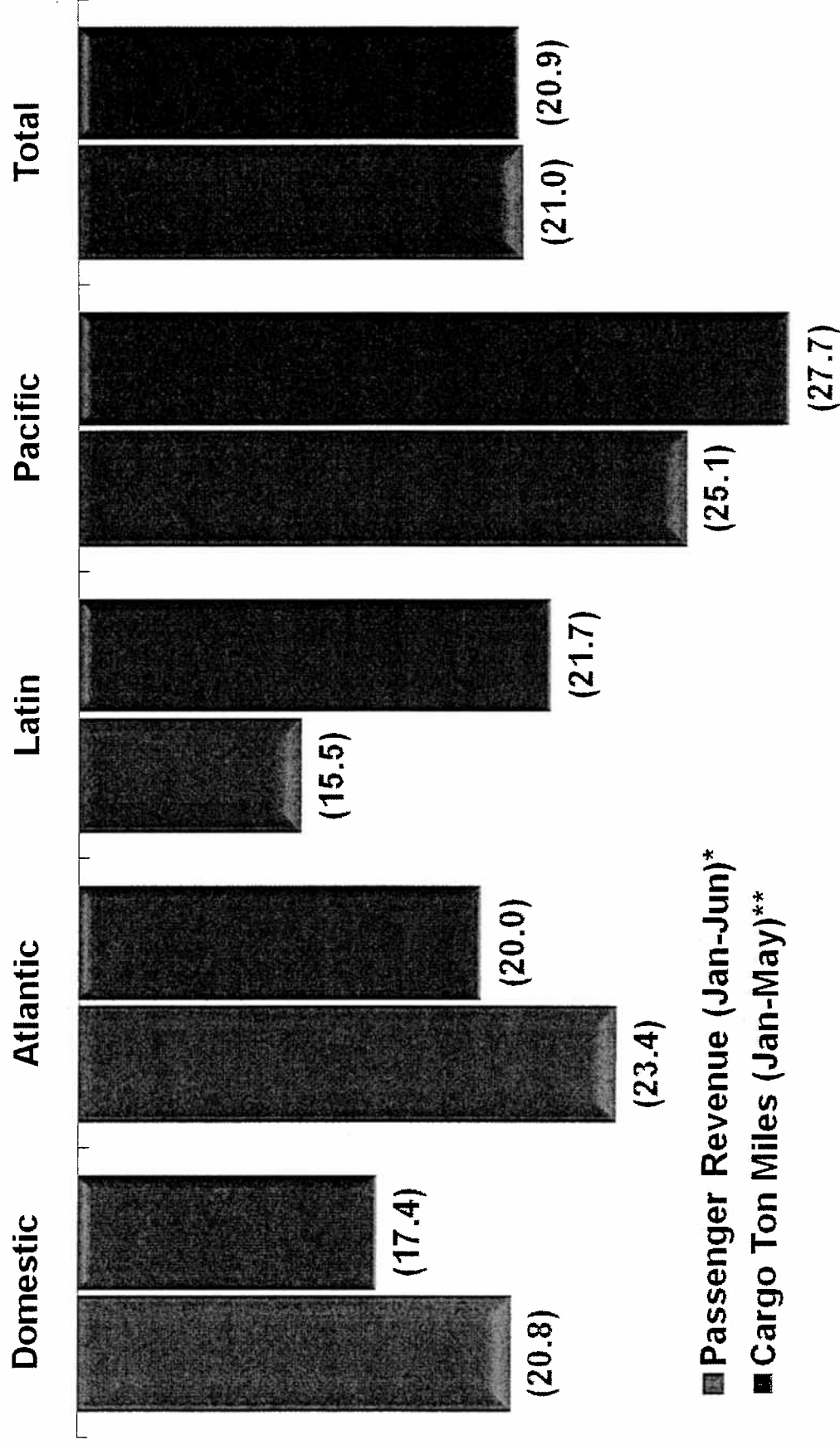


Worldwide Air Cargo

- Air Cargo contributes \$50 Billion in economic activity worldwide
- Air Cargo demand is down dramatically year over year for the industry
- Current Conditions
 - 16% below April 2008 levels when the fall in demand began
 - All regions saw improved demand conditions in August compared to July, but only Latin America saw growth
- IATA's forecast
 - Full-year decline in 2009 of 14.5 percent predicted
 - International freight growth of 5.5 percent in 2010

Demand for Air Travel and Air Cargo Down Sharply

2009 Change (%) vs. Same Period in 2008



* Alaska, American, Continental, Delta, JetBlue, United and US Airways, as well as selected regional affiliates

** Alaska, American, Continental, Delta, FedEx, Hawaiian, JetBlue, Midwest, Southwest, United, UPS and US Airways

Delta Cargo

- Delta Cargo is the largest cargo carrier among the U.S. passenger airlines, based on revenue.
- Through the strength of our global network, we are able to connect all of the world's major freight gateways.
- We offer our cargo product in domestic and international markets primarily through the use of cargo space on regularly scheduled passenger aircraft.
- DL does operate a fleet of B747-200's that are dedicated freighters, however this business will terminate by the end of the year due to low-demand, high-cost and a decision to exit this market segment

DL Cargo Continued

- Delta Cargo is a member of SkyTeam Cargo, the world's largest global airline cargo alliance
- The alliance, whose other members are Aeromexico Cargo, Air France Cargo, Alitalia Cargo, CSA Czech Airlines Cargo, KLM Cargo and Korean Air Cargo, offers a global network with over 16,000 daily flights spanning 6 continents
- This alliance offers cargo customers a consistent international product line, and the partners work to jointly improve their efficiency and effectiveness in the marketplace
- Will have a fully integrated and streamlined cargo product on November 8, 2009 for our customers

Delta Air Lines Cargo in Michigan

- Operates at both Detroit Metro Airport and Kalamazoo Airport
- Michigan operation is strictly a “belly cargo” operation, no freighters – supports all flight operations
- At DTW Delta Cargo employs approximately 100 people directly, however it supports thousands of jobs at DL in DTW because of the nature of our cargo operation.
- Air Cargo represents about 4-5% of Operating Revenue for Delta

What we carry?

- Just about everything:
 - Automotive
 - Perishables
 - Garments
 - Medical
 - Live animals/pets
 - Human Remains

How do products move?

- We move product by air in the belly of our passenger planes
- Land movement (truck and minimal rail) is on a short-term, ad hoc contract basis
- We will move by land when either time or space or weight is a consideration

Annual Averages

(kg)	2006-2008 Annual Average	
	Domestic	International
Origin	1,253,725	2,983,104
Destination	2,231,067	6,615,156
Transfer	2,927,585	17,195,672

Next Michigan Development Act

- Broad and robust legislation to create and retain jobs in and around the airport
- Concerned that the package could create an opportunity to undercut our cargo operation at DTW
- We compete directly on product offerings
- We strongly support development around the airport and believe it would help the entire region gain strength

NDMA

- We do have plans to grow our Cargo operation in Detroit
- We want to make sure we have a level playing field on which to compete
- We look forward to working with the committee, the County and others to amend legislation to create a level playing field

Thank You

